

SUMMARY OF 2020
ICC RAILROAD SUPPLIER DIVERSITY REPORTS

Union Pacific Railroad

SUPPLIERS

YEAR	\$ TOTAL DIVERSE SPEND and (+/-) % CHANGE FROM PREVIOUS YEAR	MBE	WBE	VBE	Small Business*
2020	\$423,475,943	\$55,722,567	\$347,139,033	\$13,549,710	
2019	\$274,934,468	\$82,951,134	\$155,409,176	\$36,361,733	

	HUBZone	SDB/8A	Other (LGBT)
2020	\$39,021	\$6,314,231	\$378,796
2019		\$199,265	

* How many of the small businesses are certified? N/A – don't specifically track small businesses

YEAR	# OF DIVERSE SUPPLIERS	MBE	WBE	VBE	Small Business*
2020	286	94	139	38	
2019	402	174	175	50	

	HUBZone	SDB/8A	Other (LGBT)
2020	1	12	2
2019		2	

* How many of the small businesses are certified? N/A – don't specifically track small businesses

* How many, out of all diverse suppliers, are headquartered in Illinois? 28 of 286 (\$4.3M in spend)

YEAR	# of NEWLY CONTRACTED DIVERSE SUPPLIERS	% CHANGE OVER PRIOR YEAR	SPEND	% CHANGE OVER PRIOR YEAR	# HEADQUARTERED Outside of ILLINOIS	# HEADQUARTERED IN ILLINOIS
2020	19		\$22,768,095		16	3
2019	9		\$1,886,208		8	1

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PROFESSIONAL SERVICES – NA – Do not classify Professional Services separately

YEAR	\$ TOTAL DIVERSE SPEND and (+/-) % CHANGE FROM PREVIOUS YEAR	MBE	WBE	VEE	Small Business*
2020					
2019					

	HUBZone	SDB/8A	
2020			
2019			

- * How many of the small businesses are certified?
- * How many, out of all diverse vendors/companies, are headquartered in Illinois?

Spend Areas (Industry):

Calibration/Inspection/Testing	Locomotive
Consulting & Staffing/Training	MRO
Engineering	Railcar
Design/Const/Maint	Railroad Infrastructure
Equipment	Real Estate/Govt Pmts/Other
Fuel/Lubricants/Fuel Svcs	Transportation/Vehicle Fleet
Health/Environmental/Safety	Travel/Lodging
Intermodal/Auto Ramps	Vegetation Mgmt
IT/Telecom	

SUPPLIERS & PROFESSIONAL SERVICES

2020 Highlights	<ul style="list-style-type: none"> 2020 diverse spend increased to \$423M - 54% increase year-over-year Added 2 FTEs to support Supplier Diversity in September 2020 Created new 2021 KPIs for new supplier identification, supplier onboarding, bid inclusion, and bid award in addition to spend goals New construction supplier Stronghold Engineering (WBE) = \$20.8M in annual spend
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	<ul style="list-style-type: none"> 3 new diverse Illinois suppliers: Illini Drilled Foundations, Netright Intermediate LLC, Metro Strategies
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Large Capital Projects	<ul style="list-style-type: none"> 29 diverse suppliers participated in capital projects totaling \$67.7M Major projects included siding extensions in the Southern Region and intermodal facility expansions
Supplier Diversity Goals	<ul style="list-style-type: none"> 2020 diverse spending goal = 5.5%; Actual = 7.6% 2021 diverse spending goal = 9.6% (25% increase) 2021 new supplier onboarding goal = 95
Professional Services Goals	<ul style="list-style-type: none"> N/A
Unique Initiatives – 2020 & 2021	<ul style="list-style-type: none"> Added 2 FTEs to support Supplier Diversity in September 2020 Revised website and supplier registration procedures to simplify registration process Utilizing new tier 2 reporting software (April 2021) Joined 4 new supplier diversity councils (Chicago MSDC, Houston MSDC, Southern California MSDC, Southwest MSDC)
2021: Areas of Procurement Plans	<ul style="list-style-type: none"> Ballast Shop Equipment Flagging / Paving Auto Ramps Environmental Response Vehicle Fleet

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| | <ul style="list-style-type: none">• Rail Maintenance• Track Construction• Health/Safety• Facilities Management |
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Terms & Definitions:

Small Business – an independently owned and operated company that is limited in size and in revenue depending on the industry. Certified via, city, county, state, third party.

Minority Owned Business (MBE) – it is at least 51% owned by such individuals or, in the case of a publicly-owned business, at least 51% of the stock is owned by one or more such individuals i.e. the management and daily operations are controlled by those minority group members.

Women Owned Business (WBE) - is at least 51% owned, operated and controlled on a daily basis, and long-term decisions are made by one or more female American citizens. WBEs are typically certified by a third-party, city, state or federal agency.

Veteran Owned Business (VBE) – generally non-industry specific, but requires that the company is at least 51% owned, operated, and controlled by a veteran.

SBD/8A – Small Disadvantaged Business (SDB) that is at least 51% owned by one or more individuals who are socially and economically disadvantaged individuals who are U.S. citizens.

HUBZone – Small Business Administration (SBA) program for small companies that operate and employ people in Historically Under-utilized Business Zones; at least 51% controlled by U.S. citizens